

Amendment No. 1 to HB2834

**Jones U
Signature of Sponsor**

AMEND Senate Bill No. 2823*

House Bill No. 2834

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

by deleting all provisions of the printed bill following the enacting clause and substituting the following:

SECTION 1. Tennessee Code Annotated, Section 67-5-2501, is amended by adding the following new language to be designated as subsection (c):

(c)

(1) The purpose of this legislation is to eliminate blight and urban decay, to promote the health, safety and welfare of all citizens, to reverse the spread of crime, thereby reducing public expenses devoted to policing these federally designated blighted areas, and expedite urban renewal.

(2) The court shall order a sale of the land for cash, subject to the equity of redemption.

(3) At all tax sales for properties located in federally designated empowerment zones or renewal communities and meeting the requirements of subsection (c)(4) below, the clerk of the court, acting for the state, may offer the sale of the property at public auction for a minimum bid amount equal to the lesser of the assessed value of the property, as determined by the county assessor for the most recent tax year of record, for that particular tax parcel, or the amount as ascertained pursuant to subsection (a)(2) above.

(4) Properties eligible for a reduced minimum bid amount shall be:

(A) Abandoned or vacant; or

(B) Deemed in violation of local anti-neglect ordinance(s).

(5)

(A) Where no non-governmental bidder offers the same or larger bid, the county or municipality shall bid the minimum amount as ascertained in subsection (c)(3) above; provided, that when the delinquent tax attorney for the county or municipality determines that the environmental risks are such that it is not in the best interest of the county or municipality for a minimum bid to be offered at the tax sale, the clerk shall not offer a bid on the property at the tax sale.

(B) Where a non-governmental bidder purchases the property at tax sale for a minimum bid based upon the assessed value of the property pursuant to subsection (c)(3) above, the amount paid in to the clerk of court as the final bid, shall be distributed pursuant to the method prescribed in § 67-5-2513.

SECTION 2. Tennessee Code Annotated, Section 67-5-2702, is amended by adding the following new language to be designated as subsection (c):

(c) Persons entitled to redeem property sold pursuant to § 67-5-2501(c), and situated in federally designated empowerment zones or renewal communities, may do so by paying the moneys to the clerk as required by § 67-5-2703 and by filing any statement required by § 67-5-2703(b) within six (6) months after entry of an order of confirmation of the tax sale by the court; a taxpayer may redeem property sold pursuant to § 67-5-2501(c), and situated in federally designated empowerment zone or renewal community, that has been previously redeemed by paying to the clerk the moneys as required by § 67-5-2703 within six (6) months after entry of an order of confirmation of the tax sale by the court. In which case, upon the entry of the order of redemption using the procedure outlined in § 67-5-2704, the clerk shall disburse the moneys paid to redeem, plus interest at a rate of ten percent (10%) per annum computed from

the date of the order of the previous redemption to the person previously redeeming as ordered by the court.

SECTION 3. Tennessee Code Annotated, Section 67-5-2503, is amended by designating the existing language as subsection (a) and by adding the following new language to be designated as subsection (b):

(b) In order to redeem property which has been sold under § 67-5-2501(c), and is situated in a federally designated empowerment zone or renewal community, any person entitled to redeem the property shall pay to the clerk of court who sold the property the amount owed for the delinquent taxes, interest, and penalties, courts costs and any other court ordered charges, said amount having been set and identified in the master's reference report, and interest at a rate of ten percent (10%) per annum computed from the date of the sale on the entire purchase price paid at the sale.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.